

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

ORDER

On July 2, 2008, this court issued a partial final judgment in favor of the Tremont Parties,¹ and against Halliburton Energy Services, Inc. (“HESI”) and DII Industries, Inc. (“DII”) (together, “Halliburton”). At Halliburton’s request, this court stayed the monetary portion of the judgment and required Halliburton to post a supersedeas bond. The partial final judgment was subsequently affirmed by the Fifth Circuit. Halliburton has filed a motion to release the supersedeas bond it posted. (Docket Entry No. 365).

¹ The “Tremont Parties” include TRE Holding Company, TRE Management Company, NL Industries, Inc., and Tremont LLC (“Tremont”).

In an August 7, 2009 report, Halliburton stated that it had paid all fees and costs owed by HESI under the judgment, with the exception of approximately \$15,000. Halliburton explained that it was waiting for an itemization of the legal costs and was checking other calculations. Halliburton also reported that on August 3, 2009, HESI made a submission to the Arkansas Department of Environmental Quality (“ADEQ”) that would enable it to release Tremont’s bond. Halliburton asked for a reduction in its bond to \$50,000, which it asserted would be more than sufficient to cover the outstanding \$15,000 and the outstanding bond premium.

To assist this court in determining whether Halliburton’s supersedeas bond should be reduced or released, Halliburton is ordered to file another status report in writing by **March 19, 2010**. The status report must indicate whether there are outstanding payments to be made under the judgment, whether Tremont’s bond/letter of credit with the ADEQ has been released, what steps Halliburton has taken to assume responsibility for the claims by third parties regarding the Malvern Site, what steps Halliburton has taken to ensure that the Tremont Parties will not be held responsible for future costs at that Site, and whether there are any other outstanding aspects of the judgment. Responses, if any, must be filed by **March 24, 2010**.

SIGNED on March 11, 2010, at Houston, Texas.



Lee H. Rosenthal
United States District Judge